

General Fund Resources

City general fund resources are typically relatively predictable. Most general fund resource is obtained from property taxes, state-shared resources, and transportation aides, which are known by the time the budget year begins. Resources have historically not been dependent on changes in economic factors. However, varying factors, including the local economy, can cause fluctuations yearly in certain resource items.

Property Taxes

Property taxes are levied upon all real property and business personal property owners at a calculated rate per \$1,000 assessed value. As is typical for most Wisconsin municipalities, the property tax is the primary revenue for city government operations. The trend for property taxes, as a percentage of General Fund Revenue, is as follows:

Budget Year	2020	2021	2022	2023	2024
General Fund Tax Levy	\$19,005,700	\$19,184,900	\$19,931,500	\$20,455,400	\$20,616,100
General Fund Revenue	\$27,129,330	\$27,369,168	\$28,213,729	\$28,931,075	\$30,812,960
Levy to Revenue	70.1%	70.1%	70.6%	70.7%	66.9%

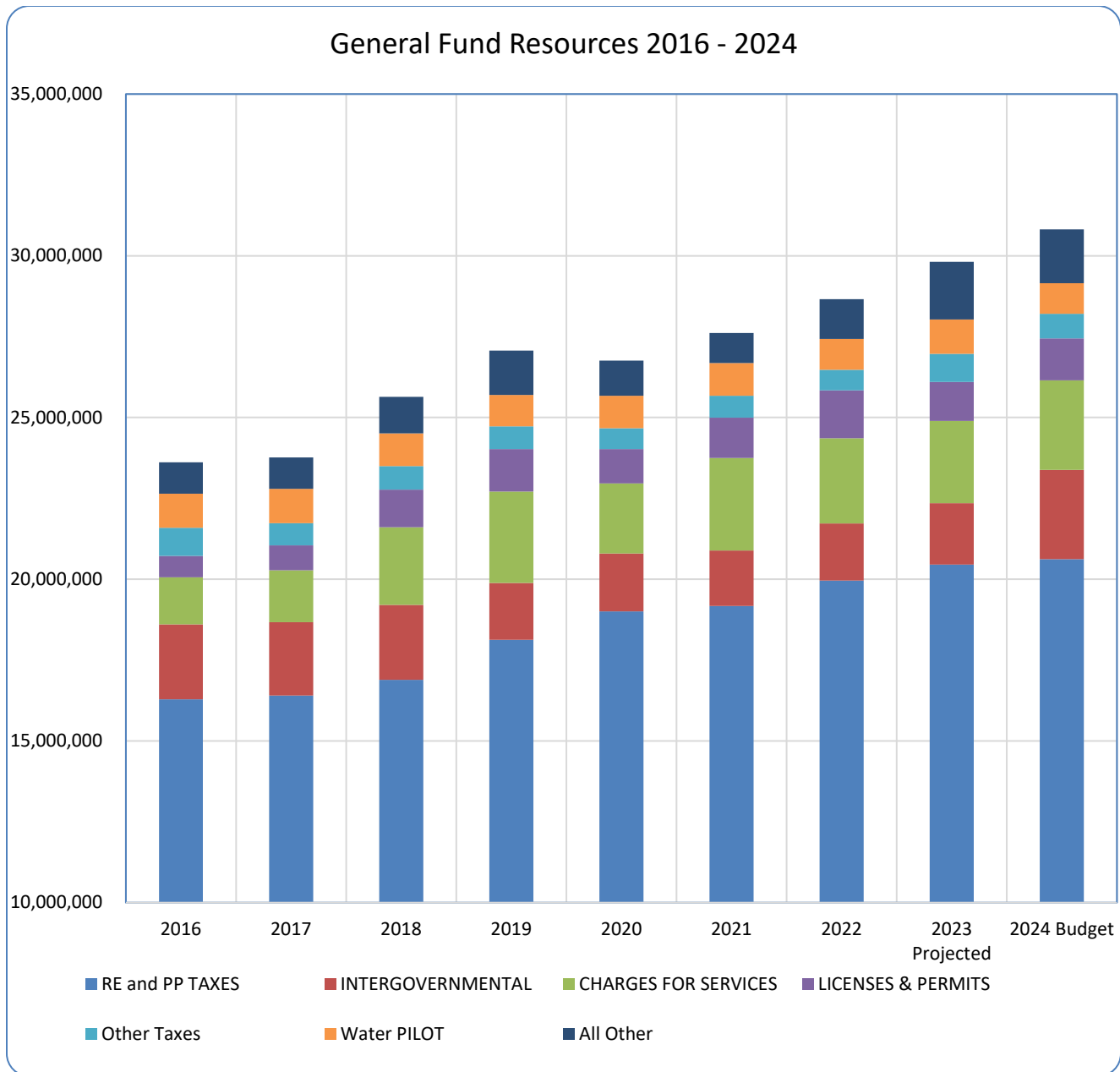
Property taxes as a percentage of general fund revenues will increase or decrease depending on fluctuations in other revenues, the amount of growth in net new construction, and whether increases in expenditures are needed to meet service needs for the City.

The Chart below shows the tax levy by purpose and the amount of levy per capita for each purpose.

	2020	2021	2022	2023	2024
Population (for prior year)	35,996	36,514	36,646	35,895	35,785
Tax Levy	Actual	Actual	Actual	Budget	Budget
General Fund	\$19,005,700	\$19,184,900	\$19,959,149	\$20,455,400	\$20,616,100
Library	\$1,340,500	\$1,337,200	\$1,347,200	\$1,374,000	\$1,442,700
Capital	\$295,700	\$296,000	\$53,300	\$0	\$291,700
Debt Service	\$1,100,000	\$1,100,000	\$1,100,000	\$1,100,000	\$1,100,000
Total Tax Levy	\$21,741,900	\$21,918,100	\$22,459,649	\$22,929,400	\$23,450,500
Per Capita					
General Fund	\$527.99	\$525.41	\$544.65	\$569.87	\$576.11
Library	\$37.24	\$36.62	\$36.76	\$38.28	\$40.32
Capital	\$8.22	\$8.11	\$1.45	\$0	\$8.15
Debt Service	\$30.56	\$30.13	\$30.02	\$30.65	\$30.74
Total Tax Levy	\$604.01	\$600.27	\$612.88	\$638.80	\$655.32

Note that the population used in the chart is for the year before the budget year.

City of Franklin, WI
2024 General Fund Revenue



The chart above demonstrates the change in resource mix from 2016 through the 2024 Budget. The Taxes, Charges for Services, Intergovernmental Revenues, Licenses & Permits, and Interest Income increased over this period, while Other Taxes, Intergovernmental Charges for Services, Penalties and Forfeitures, Miscellaneous Revenues, and the Water Utility PILOT have declined.

In 2019, General Transportation Aids (GTA's) were partially shifted to the Street Improvement Fund. GTA's have grown substantially related to street work done in the Tax Incremental Financing Districts in recent years. Landfill Siting Revenues, included in Charges for Services, aid the General Fund in that up to 20% of these revenues go into the General Fund, with the majority, 80%, going to the Capital Funds.

Utility Tax Equivalent

The Franklin Water Utility makes a payment instead of property taxes, as the Public Service Commission requires, by applying the local municipal and school tax rates against the total value of the Utility plant in service and infrastructure. As the plant in service has grown due to the continued development in the City, this revenue has also increased. Much of the plant value added has been contributed by developers, Tax Incremental Financing Districts, and projects at least partially funded by special assessments. For 2024, that payment is estimated at \$950,000. The Water Utility has two large projects in the near future, which will raise this payment to the City.

Hotel/Motel Room Tax

Hotels and motels charge a room tax that benefits the City of Franklin. The development of a hotel on South 27th Street resulted in the City receiving increased room taxes starting in 2009. A second hotel opened in July 2015 near S. 76th Street and W. Rawson Avenue. The 2015-16 state budget included a provision that directs a portion of this revenue to tourism beginning in 2017. In 2016, before the new restriction, this revenue provided \$327,191. In 2021, the City raised the tax rate from 6% to 8%, effectively increasing the rate by 33%. For 2024, the General Fund revenue is capped at \$151,900, with the balance directed to the Franklin Tourism Commission. The addition of planned hotels in the near future will allow the General Fund portion of the Hotel/Motel Tax to increase.

Cable Franchise Fees

The City charges a franchise fee on cable television services which has decreased recently. Declining trends in the number of cable subscribers have impacted this revenue. For 2024, that fee is estimated at \$340,000.

In the 2019-20 State Budget, the legislature lowered the cable tax rate from 5% to 4%, beginning in January 2020. A new state aid was created to replace the impact of the tax rate reduction. The combined effect is zero, while the fees appear to decline and Intergovernmental Revenues increase. That revenue is expected to be \$98,500 in 2024, unchanged from the prior year.

State Shared Revenue

State Shared Revenue is based on a formula that considers per capita and aidable revenue factors, including the City's relative property value and local revenue generated. During recent years the State has either not increased or has decreased the amount received. In 2017, the City received \$641,300; in 2024, shared revenue is anticipated to receive \$1,291,750, a 298% increase. In 2023, the State of Wisconsin passed Act 12, which increased the shared revenue measure with specific restrictions like requiring communities to maintain specific public safety staffing levels.

The State provides Expenditure Restraint payments to communities that limit their General Fund spending to a specified percentage increase over the prior year. The percentage limit considers inflation and growth in new construction in the City. Communities are only eligible if their equalized tax rate is over 5 mills, at least \$5.00 per 1,000 assessed value. In 2015, the City of Franklin received more than \$284,000; however, it ceased receiving this aid beginning in 2022, when its equalized tax rate dipped below \$5.00 per thousand of value.

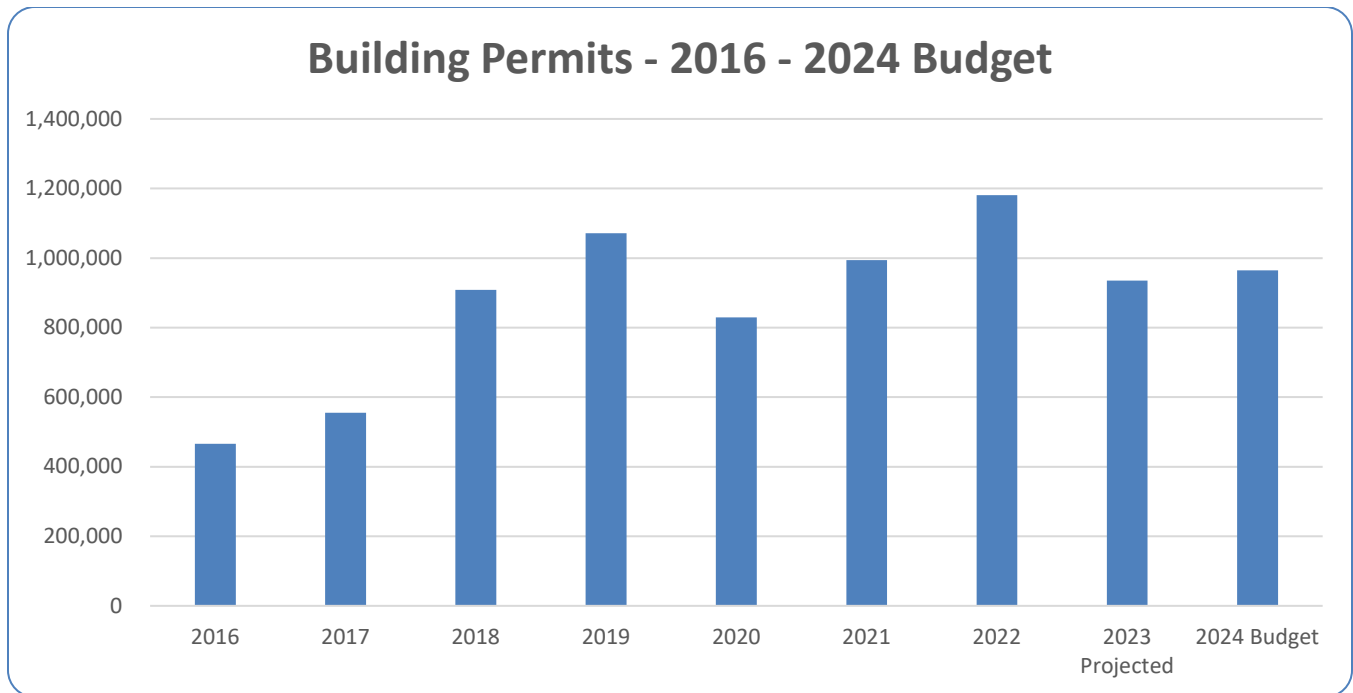
The State provides General Transportation Aids to local communities. These aids are based on a formula established by the State that considers the cost of maintaining the City's transportation system, including maintenance, traffic enforcement, and capital street construction costs. This formula uses Franklin's highway expenditures over a rolling 6-year period in determining the aid amount. In 2017, the City of Franklin received \$1,093,339. For 2023, transportation aids were set at \$1,847,152. GTA funding is released in mid-October each year, and the 2024 final calculated amount is \$2,020,966.25. Street improvements in several of the City's Tax Incremental Financing Districts will impact transportation aids for several years. Beginning in 2019, only a portion of this Aid funds the General Fund operations, with the balance supporting the Street Improvement Fund.

A 1997 legislative change exempted business computers from being subject to property tax. It also provided for a state aid payment to municipalities to offset the loss of this income. The Legislature froze the program in the 2017-18 budget, with a 1.47% increase in 2019 from 2018 levels. In the same budget, a new class of personal property was exempted, with a new Personal Property Aid payment. However, the new aid payment reduces the allowable levy increase dollar for dollar. For 2023, the exempt computer aids were \$346,700, an increase of approximately \$118,700 due to the closure of TID #3, and the exempt personal property aid is approximately \$86,400. Exempt personal property aid is reported in August, with the 2024 estimate being \$95,630, a 10.6% over 2023.

Overall, support from the Intergovernmental Revenues has remained fairly stable over the last few years, with the increase in 2023 mainly coming from the increase in exempt computer aid and the increase in 2024 mainly from the increase in stated shared revenue.

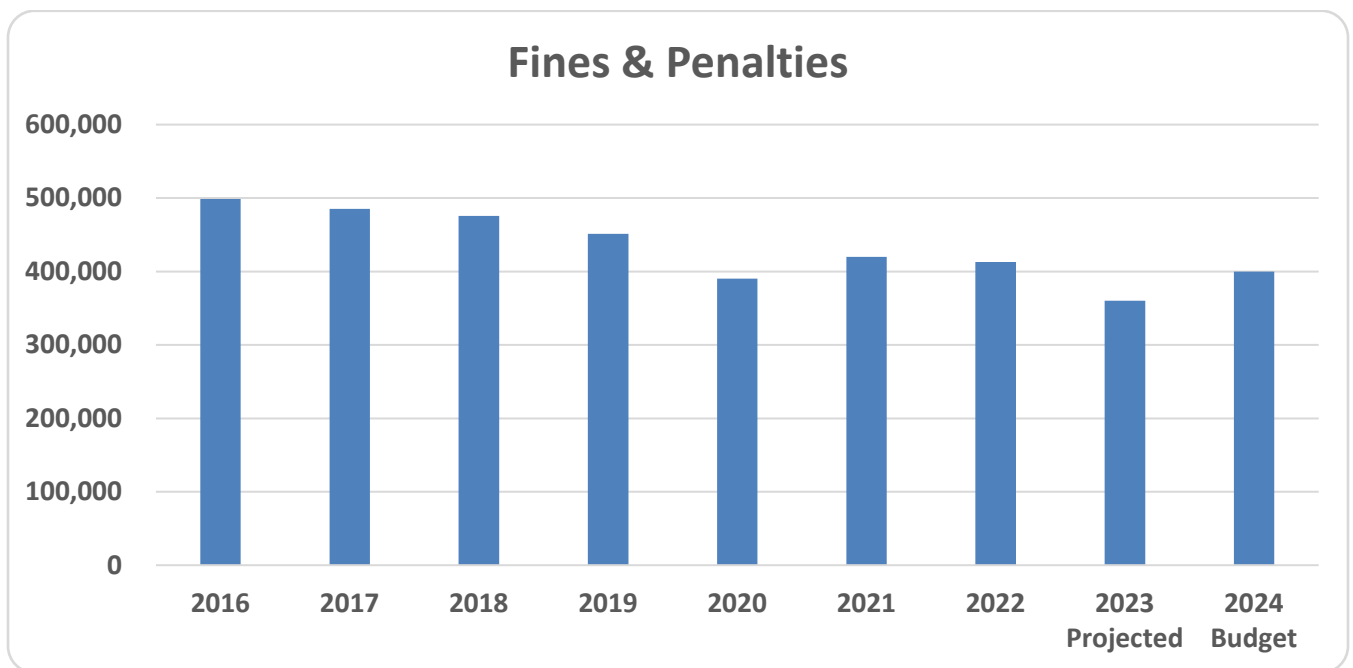
Licenses and Permits

The City issues numerous licenses and permits in performing its regulatory functions, such as building, electrical, plumbing, liquor, bartender, peddler, food, pet, contractor, and others. Most such resource items do not fluctuate greatly from year to year, and in some cases, change is limited by state statutes. The primary resource in the permit category, making up approximately 80% of the category, is building, plumbing, and electrical permits. The 2024 budget anticipates \$1,045,000 in Building, Plumbing, and Electrical permit resources. That compares to \$985,000 budgeted, as well as expected, in 2023. The Tax Increment Districts provide the prospect of increased building permit revenue.



Penalties and Forfeitures

This category represents the City’s share of fines from violation of City ordinances, state statutes, and parking ticket revenue. The 2023 projection is \$360,000. We have seen a slight decrease since 2016, with revenue stabilizing since 2022. Offsetting this reduction was the addition of the Tax Intercept collection process. That state-wide collection effort has advanced the time that fines and penalties have been receipted.



Charges for Services

This revenue includes charges for the use of City services. The primary revenue in this category is generated from ambulance services (56%); planning, engineering, and administrative fees; and charges to developers in connection with development agreements.

2024 ambulance fees are estimated at \$1,550,000; this is budgeted as an increase compared to the 2021 revenue based on the revenues booked to date in 2023. Additional senior housing projects, if built, are expected to impact future ambulance revenues.

In 2024, Landfill siting revenues dedicated to the General Fund slightly decreased to \$445,000. This is a conservative estimate as actual landfill siting revenues have been favorable to the 2023 budgeted amount. The Common Council directed that up to 20% of expected Landfill Siting revenues be dedicated to operating activities. See below for further discussion of Landfill Siting revenues.

Landfill Siting Revenues

The granting of a landfill license to Waste Management, in 2010, by the Wisconsin Department of Natural Resources saw the beginning of new revenue for the City and surrounding communities. A Landfill Siting Agreement was completed, requiring a payment for each ton of fill going into the site, which is shared as 75% to the City of Franklin, as the home City, and the remaining 25% to six other communities. The initial license was for 1.2 million tons. 2018 the first expansion license was obtained, expanding the landfill by 9 million tons. With that expansion, the fee increased by 25%. Waste Management controlled the material accepted until the expansion permit was obtained. Revenues in recent years are listed here:

2019 - \$2,593,804
2020 - \$2,321,287
2021 - \$2,515,603
2022 - \$2,580,936
2023 - \$2,450,000 – Projected
2024 - \$2,550,000 – Budget

This revenue will end when the landfill license is exhausted, so limiting the funding of current operations to 20% of revenue is a prudent way to ensure that City operations do not become too reliant on the revenues. As noted earlier, the City uses 80% of the funding for capital projects. The site has the potential for 19 million tons of waste, assuming one additional 9-million-ton license renewal, so these revenues are expected to be available for several years into the future. After consulting with Johns Disposal Services, their best guess is the landfill will be full around 2050 or later.

Intergovernmental Charges for Services

In addition to the Emergency Medical Services revenue included in the charges for services above, a Milwaukee County subsidy is received toward providing the service. In 2012, the County negotiated a three-year agreement with Franklin receiving \$125,000 annually in Emergency Medical Service aids. For 2024, revenues are expected to be \$220,000. As noted,

this revenue is subject to adjustment and reductions and should be monitored for its future impact on the General Fund.

In 2015, the Franklin School District resumed a program of a School Liaison Officer and contributes the majority of the cost of an officer who primarily works at the School District. This program is expected to continue in 2024.

Interest Revenue

Investment earnings are one of the two main revenues in this category. Investment interest has declined following the falling short-term interest rates since 2009. Short-term investment returns rose rapidly in 2018 and 2019. Economic pressures related to the COVID-19 pandemic pushed rates back toward zero; however, 2022 has increased interest rates. This resource will follow market interest rate movements and has continued to hold record-high rates going into 2024.

Another component of investment result is realized and unrealized gains/losses on fixed-income investments. The City's investment policy limits the term of investments to a maximum of seven years. That provides downside protection from investment losses related to longer-duration securities. Investments are reflected at market values generating unrealized gains and losses. However, as investments are anticipated to be held to maturity, unrealized losses are not expected to be realized, barring any premature forced sale for an emergency.

The last major component is interest charged at the statutory rate of 12% per annum on delinquent property taxes. The City retains any interest collected before it turns over uncollected Real Estate Tax Bills to Milwaukee County in August of each year. Personal Property Tax Bills are retained and pursued for collection by the City due to a 2011 State law change.

Miscellaneous Revenue

Water Tower rentals to cell phone companies and insurance dividends are the main components of miscellaneous revenue. Also, in 2024, there is an agricultural lease on park land that the City owns. This lease is in effect through December 31, 2025. This category is budgeted conservatively as the revenues collected vary more than other revenue categories.

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**City of Franklin, WI
General Fund Revenues**

GL NUMBER	DESCRIPTION	2024 ORIGINAL BUDGET	2024 DEPT REQ BUDGET	2023 PROJECTED ACTIVITY	2023 AMENDED BUDGET	2022 ACTIVITY
REAL ESTATE TAXES						
01-0000-4011	GENERAL PROPERTY TAX	20,616,100	20,616,100	20,455,400	20,455,400	19,959,149
	REAL ESTATE TAXES	20,616,100	20,616,100	20,455,400	20,455,400	19,959,149
REVENUE - TAXES						
01-0000-4012	PROPERTY TAX-SPECIAL-PAY IN LIEU OF TAX	12,500	12,500	12,355	12,000	11,784
01-0000-4014	MOBILE HOME TAX	20,000	20,000	20,000	20,000	18,554
01-0000-4022	MOTEL ROOM TAX	151,900	151,900	151,900	151,900	151,894
01-0000-4025	CABLE TV&VIDEO FRANCHISE FEE	340,000	340,000	385,000	385,000	338,340
	REVENUE - TAXES	524,400	524,400	569,255	568,900	520,572
TRANSFERS - IN						
01-0000-4031	TAX EQUIVALENT	950,000	950,000	1,060,500	1,060,500	952,207
	TRANSFERS - IN	950,000	950,000	1,060,500	1,060,500	952,207
INTERGOVERNMENTAL						
01-0000-4121	PER CAPITA	1,291,700	1,000,000	433,000	433,400	402,995
01-0000-4122	STATE MEDICAL TRANSPORT AID				29,000	30,378
01-0000-4125	SPECIAL UTILITY	110,000	110,000	110,000	110,200	114,814
01-0000-4126	STATE EXEMPT COMPUTER AID	356,700	356,700	346,700	346,700	228,051
01-0000-4127	FIRE INSURANCE TAX	210,000	210,000	218,775	198,000	198,923
01-0000-4128	EXEMPT PERS PROP AID	95,630	95,630	86,405	86,400	77,988
01-0000-4129	VIDEO SERVICE PROVIDER AID	98,500	98,500	98,515	98,500	98,516
01-0000-4144	GEN TRANS AID	600,000	600,000	600,000	600,000	613,189
	INTERGOVERNMENTAL	2,762,530	2,470,830	1,893,395	1,902,200	1,762,854
LICENSES & PERMITS						
01-0000-4201	BEER & ALCOHOL	42,000	32,000	42,100	42,100	52,540
01-0000-4205	SPECIAL CLASS B BEER			10		20
01-0000-4209	BARTENDER/OPERATOR LICENSE	16,000	16,000	17,000	17,000	18,616
01-0000-4213	AMUSEMENT & ENTERTAIN LICENSES	8,000	8,000	9,000	9,500	8,450
01-0000-4217	ENTERTAINMENT & AMUSEMENT	50	50	50	100	50
01-0000-4219	PEDDLER/TRANSIENT/DOOR-TO-DOOR	2,900	2,900	3,100	2,900	3,660
01-0000-4222	FOOD PRE-INSPECTION	5,000	5,000	7,500	7,500	8,007
01-0000-4223	FOOD LICENSE	5,100	5,100	7,000	5,100	5,199
01-0000-4227	SODA LICENSE	200	200	200	300	230
01-0000-4229	CIGARETTE LICENSE	2,400	2,400	2,400	2,400	2,400
01-0000-4241	OTHERLIC/PUBLIC GRT/TAXEXMPT	2,000	2,000	3,400	3,400	3,380
01-0000-4242	TECHNOLOGY FEE	25,000	15,000	20,000	20,000	23,299
01-0000-4257	BICYCLE LICENSE			190		14
01-0000-4261	ANIMAL& MOBILE HOME LICENSES	5,500	5,500	6,000	6,000	5,768
01-0000-4262	RETAIL FOOD ESTABLMT LICENSE	25,000	22,500	26,000	26,000	25,867
01-0000-4263	RESTAURANT LICENSE & MISC FEES	40,000	40,000	43,000	43,000	43,111
01-0000-4264	APPLICATION&OTHER HEALTH LIC	8,500	8,500	8,520	8,500	8,090
01-0000-4265	POOL LICENSE FEES	9,500	9,500	11,040	9,300	9,300
01-0000-4266	HOTEL/MOTEL LODGING LICENSE FEES	3,500	3,500	3,500	3,500	2,987
01-0000-4268	HEALTH LATE FEES			600		
01-0000-4269	HEALTH REINSPECTION FEES			800		
01-0000-4270	HEALTH PREINSPECTION FEES	1,000	1,000	1,000	1,000	1,450
01-0000-4271	BUILDING PERMITS	750,000	700,000	675,000	675,000	819,019
01-0000-4272	Agent DSPS Plan Review Fees			3,850		
01-0000-4273	ELECTRICAL PERMITS	125,000	125,000	100,000	170,000	189,391
01-0000-4274	Agent DSPS Submittal Fee			1,100		
01-0000-4275	PLUMBING PERMITS	170,000	140,000	160,000	140,000	172,316
01-0000-4277	STREET EXCAVATION PERMITS	5,000	5,000	5,500	23,000	29,750
01-0000-4279	FILL PERMITS	100	100		1,000	
01-0000-4281	SIGN PERMITS	10,000	10,000	10,000	10,000	9,475
01-0000-4285	SPECIAL EVENT PERMIT	500	500	500	500	800
01-0000-4286	PARK CANCELLATION FEE - NON-TAXABLE			25		25
01-0000-4287	PARK & FIELD RESERVATION-TAXABLE	35,000	30,000	34,000	35,000	32,438
01-0000-4288	FIRE BURNING & OTHER PERMITS	3,200	3,200	2,700	3,200	4,010
01-0000-4289	ALARM/BARRICADE/MINING PERMITS	2,600	2,600	2,700	2,800	2,645
	LICENSES & PERMITS	1,303,050	1,195,550	1,207,785	1,268,100	1,482,307

**City of Franklin, WI
General Fund Revenues**

GL NUMBER	DESCRIPTION	2024 ORIGINAL BUDGET	2024 DEPT REQ BUDGET	2023 PROJECTED ACTIVITY	2023 AMENDED BUDGET	2022 ACTIVITY
PENALTIES & FORFEITURES						
01-0000-4311	FINES/PENALTY/RESTITUTION/MISC POLICE	400,000	400,000	360,000	415,000	413,096
	PENALTIES & FORFEITURES	400,000	400,000	360,000	415,000	413,096
CHARGES FOR SERVICES						
01-0000-4401	SUBDIVISION FILING	100	100		10,000	125
01-0000-4402	LAND COMBINATION FILING	20,000	10,000	20,000	10,000	30,937
01-0000-4403	CSM FILING	1,500	1,500	2,000	5,000	3,450
01-0000-4404	SITE PLAN REVIEW FILING	50,000	50,000	42,000	60,000	105,101
01-0000-4405	VARIANCE & APPEALS FILING	1,500	1,500	900	2,500	2,100
01-0000-4406	SPECIAL USE FILING	10,000	10,000	12,000	8,000	7,750
01-0000-4407	REZONING FILING	7,000	7,000	7,000	15,000	16,500
01-0000-4409	OTHER FILING & PLANNING CHARGE	5,000	5,000	4,500	7,000	5,900
01-0000-4411	PUBLICATIONS & RECORDING	1,000	1,000	1,000	1,000	1,104
01-0000-4413	PROPERTY STATUS REPORTS	10,000	10,000	8,000	10,000	10,095
01-0000-4415	COPYING CHARGES	500	500	500	800	691
01-0000-4421	MAP & CD SALES-TAXABLE	300	300	150	300	218
01-0000-4422	ELECTION SERVICES					217
01-0000-4425	ARCHITECTURAL BOARD REVIEW	5,000	5,000	5,500	5,500	5,250
01-0000-4431	POLICE SERVICES	2,500	2,500	2,500	2,500	4,204
01-0000-4432	SPECIAL EVENT PUBLIC SAFETY	3,500	3,500		3,500	691
01-0000-4440	AMBULANCE SERVICES - ALS	1,550,000	1,400,000	1,380,000	1,350,000	1,432,114
01-0000-4442	FIRE SAFETY, CPR TRAINING, FINES & MISC	4,000	4,000	3,500	4,000	6,170
01-0000-4443	FIRE PLAN REVW/WITNESS/TEST	5,000	5,000	3,700	4,000	5,050
01-0000-4444	FIRE INSPECTION&REINSPECTION	15,000	15,000	13,000	19,000	20,656
01-0000-4445	QUARRY REIMBURSEMENT	55,000	55,000	42,000	42,000	41,125
01-0000-4449	WEIGHTS & MEASURES CHARGES	5,000	5,000	4,900	4,900	8,947
01-0000-4452	CLINIC SERVICES	35,000	35,000	35,000	35,000	56,098
01-0000-4453	SALE OF RADON TEST KITS	500	500	500	1,000	518
01-0000-4456	HEALTH LABOR CHARGED TO GRANTS	45,400	45,400	42,500	42,500	58,616
01-0000-4470	WEED CONTROL	4,500	4,500	2,000	7,000	2,908
01-0000-4471	STREET LIGHTING	20,000	20,000	22,500	22,500	20,528
01-0000-4479	ENGINEERING FEES	315,000	315,000	300,000	300,000	196,454
01-0000-4480	DPW CHARGES	40,000	40,000	45,000	45,000	38,723
01-0000-4483	PLANNING CONSULTING FEES	31,500				
01-0000-4493	LANDFILL OPERATIONS-SITING	445,000	445,000	460,000	460,000	476,210
01-0000-4496	LANDFILL OPERTN-EMERALD PARK	78,000	78,000	82,000	78,000	78,426
	CHARGES FOR SERVICES	2,766,800	2,575,300	2,542,650	2,556,000	2,636,876
INTERGOVERNMENTAL CHARGES						
01-0000-4611	COUNTY EMT-PARAMEDIC-ALS	220,000	220,000	219,100	219,100	185,208
01-0000-4615	SCHOOL LIAISON OFFICER	90,000	90,000	91,800	91,800	86,599
01-0000-4625	FIRE INSPECTION SERVICES	15,000	15,000	20,000	20,000	13,824
	INTERGOVERNMENTAL CHARGES	325,000	325,000	330,900	330,900	285,631
INTEREST & INV INCOME						
01-0000-4711	INTEREST ON INVESTMENTS	778,360	560,000	900,000	143,075	311,818
01-0000-4713	INVESTMENT GAINS/LOSSES			7,900		1,783
01-0000-4715	INTEREST-TAX ROLL	230,000	130,000	300,000	73,000	115,653
01-0000-4716	INTERFUND INTEREST	1,300	1,300	1,300	2,500	2,333
01-0000-4719	MISCELLANEOUS INTEREST	5,000	5,000	25,000	3,000	46,966
	INTEREST & INV INCOME	1,014,660	696,300	1,234,200	221,575	478,553

**City of Franklin, WI
General Fund Revenues**

GL NUMBER	DESCRIPTION	2024 ORIGINAL BUDGET	2024 DEPT REQ BUDGET	2023 PROJECTED ACTIVITY	2023 AMENDED BUDGET	2022 ACTIVITY
MISCELLANEOUS						
01-0000-4725	RENTAL-MUNICIPAL PROP	91,520	85,000	85,000	85,000	89,245
01-0000-4730	DONATIONS-Cash					1,723
01-0000-4751	PROPERTY SALE					6,750
01-0000-4756	SALE OF STATE SEALS	200	200		1,500	
01-0000-4757	HOUSE NUMBER SALES	200	200	500	500	614
01-0000-4771	INSURANCE DIVIDEND	30,000	30,000	22,015	37,500	37,425
01-0000-4781	REFUNDS/REIMBURSEMENTS	25,000	25,000	20,000	25,000	17,466
01-0000-4784	MADACC ANML LIC SOLD/ORD FEE	2,500	2,500	2,000	2,000	4,276
01-0000-4785	REBATES			13,500		
01-0000-4798	CASH OVER(SHORT)			2		
01-0000-4799	MISCELLANEOUS REVENUE	1,000	1,000	17,650	1,000	2,963
01-0221-4781	DISABILITY PAY REIMBURSEMENT					4,057
	MISCELLANEOUS	150,420	143,900	160,667	152,500	164,519
	TOTAL REVENUES	30,812,960	29,897,380	29,814,752	28,931,075	28,655,764

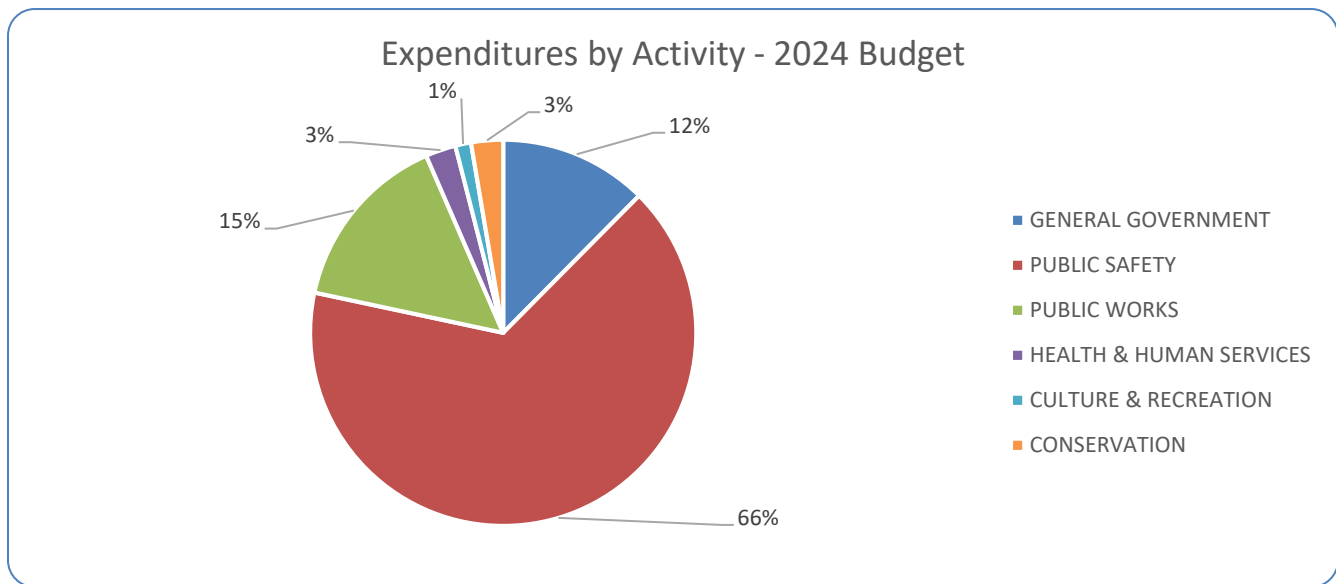
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General Fund Expenditures

City General Fund expenditures are divided into Activities and further reported by Category/Department. The Activities include General Government, Public Safety, Public Works, Health and Human Services, Culture and Recreation, and Conservation and Development.

A summary of the expenditures by Activity, in thousands, without the restricted contingency, as this is only able to be utilized with additional available revenues and a super-majority vote of the Common Council, is as follows:

	2019	2020	2021	2022	2023 Budget	2023 Projected	2024 Budget
General Gov't.	2,954	3,080	2,946	3,201	3,629	3,579	3,844
Public Safety	17,157	17,471	17,870	18,214	19,299	19,897	20,384
Public Works	4,140	4,066	4,199	4,201	4,375	4,401	4,676
Health/Human	647	664	706	702	730	733	785
Culture & Rec	223	288	329	308	377	391	407
Conservation	606	598	531	512	671	701	828
Transfers	52	48	374	24	24	24	71
Total	25,779	26,215	26,955	27,162	29,106	29,726	30,995



General Government

General government is comprised of 12 departments that provide either specific services for the City or internal services to or on behalf of the departments providing services. General Government Expenditures are approximately 12.4% of the General Fund Expenditure Budget. General Government Expenditures have a disproportionate component of contract services as several functions have been contracted out, including Assessing and Legal Services. Certain General Government Services provide services for other funds, such as financial services to the Utilities and TIDs; those funds then reimburse the General Fund for those services.

Public Safety

Public Safety is comprised of Police, Fire, Public Fire Protection, Inspection Services, and Weights and Measures. Public Safety Expenditures comprise approximately 65.8% of the General Fund Expenditure Budget.

Public Works

Public Works is comprised of Engineering, Highway, Street Lighting, and Weed Control. Public Works Expenditures comprise approximately 15.1% of the General Fund Expenditure Budget. Substantial expenditures in these budgets are the cost of road salt and fuel and the labor cost to provide the services.

Health and Human Services

Health and Human Services is comprised of the Health and Animal Control Expenditures. Health and Human Services Expenditures equate to approximately 2.5% of the General Fund Expenditure Budget. The pandemic emergency in 2020 demonstrated the impact of these services on the community.

Culture and Recreation

Culture and Recreation is comprised of the Parks and Recreation expenses. Culture and Recreation include amounts paid for St. Martin's Fair and Civic Celebrations. Culture and Recreation Expenditures amount to approximately 1.3% of the General Fund Expenditure Budget.

Note: The Parks Budget is included in the Annual Budget under Public Works due to reporting authority.

Conservation and Development

Conservation and Development are comprised of Economic Development and Planning functions. Conservation and Development expenditures comprise approximately 2.7% of the General Fund Expenditure Budget. 2016, the City added a full-time Economic Development Director to foster greater development.

Transfers and Contingency

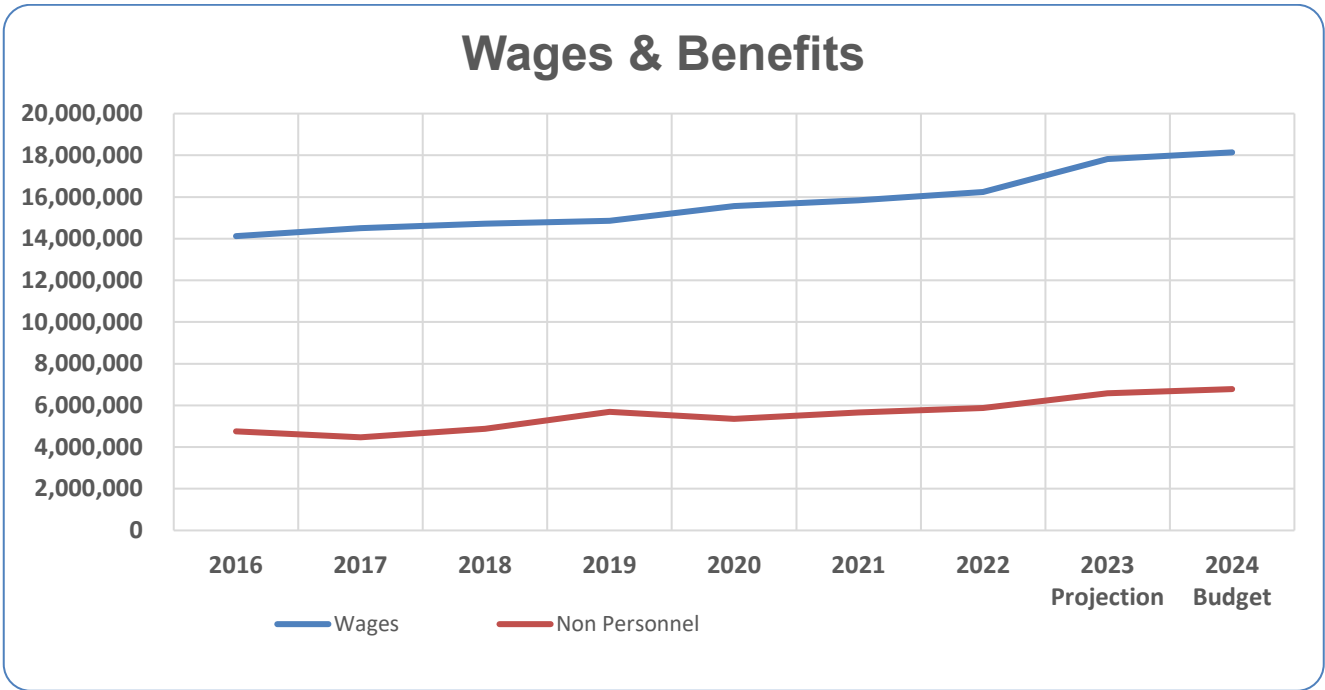
Transfers relate to contributions by the General Fund to Recreation Departments and periodic one-time uses of excess General Fund monies for capital expenditures.

Contingency includes a provision for unexpected expenditures and to provide Restricted reserves for emergencies, such as the 2020 Pandemic.

General Fund Expenditures by Functional Category

The 2024 General Fund Expenditure Budget is presented by functional categories on the following page. Salaries, wages, and benefits comprise approximately 77.9% of the General Fund Budget.

Wages and benefits have grown from \$23.9 million in 2016 to \$29.5 million in 2024, or 24%, which equates to 2.4% per year on average. In 2024, the recommended increase of 1.50 FTEs includes one Associate Planner and increased hours for two part-time clerk secretaries.



Employee benefits, which consist of Group Health and Dental, Retirement, Retiree Health, Life Insurance, and Employment Taxes, will increase in 2024 due to increased claims. This may decrease in future years.

In 2019, the City elected the Wisconsin Retirement System pension plan for all new employees. Those employees in the old plans were provided the option of remaining in the old plans. In the short term, Public Works retirement costs will be elevated as the unpaid benefit costs of the old Public Works plan work through the system. In 2020, the City made a \$325,000 special contribution to the Retiree Health Plan. Also, in 2020, the City General Fund made a \$200,000 contribution to the Public Works Pension plan. In 2024, the plan will be funded enough to decrease contributions back down to the Actuarial Determined Contribution amount.

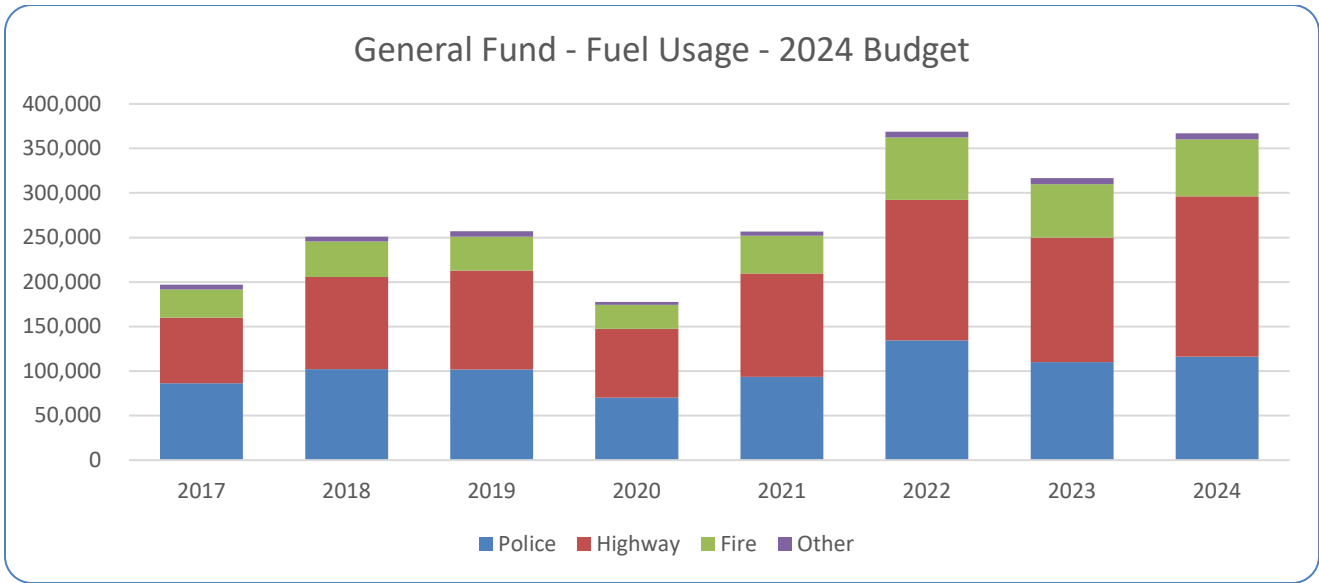
Non-personnel costs include Property Insurance, Contracted Services, Utilities, Operating Supplies, Services and Charges, Facility Charges, Other Costs, and Contingency.

Beginning in 2018, Engineering contract services include inspection services for new development activity.

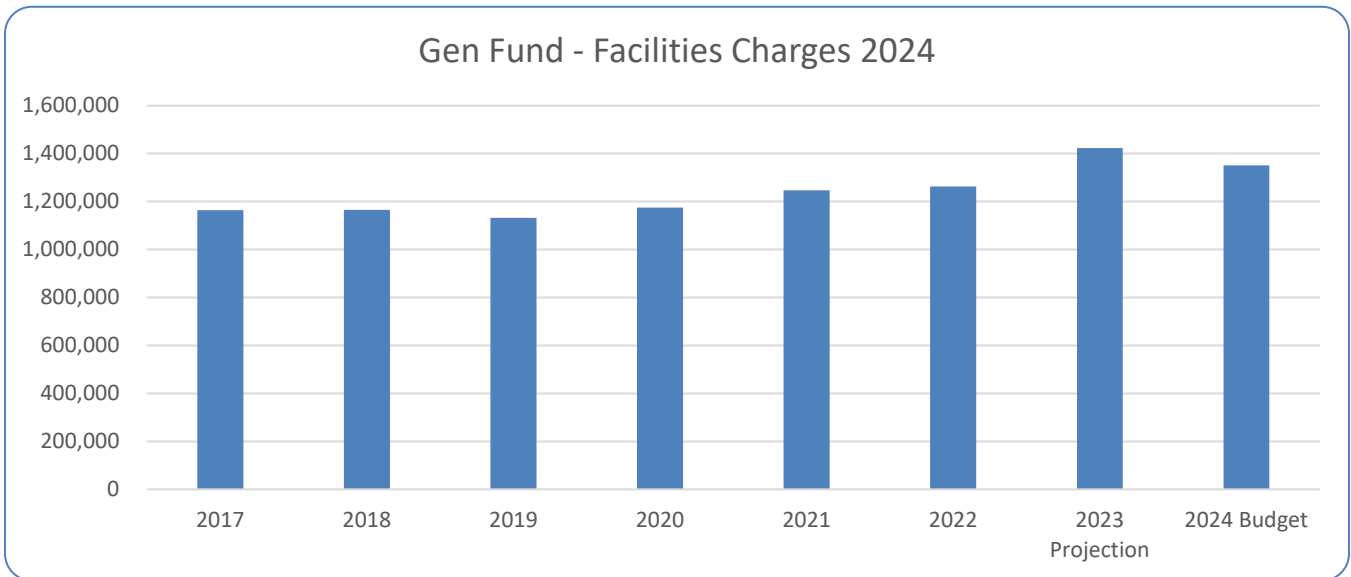
Beginning in 2024, Planning will be outsourcing for certain planning services and generate additional revenue based on the billing of applicants.

Fuel costs are another major expenditure and vary with the cost of oil. In 2020, the City spent \$184,000 on fuel and will spend roughly \$336,925 in 2023. Fuel costs vary closely with the price of oil. This demonstrates the impact of volatile fuel prices on the City's operating costs.

City of Franklin, WI
2024 General Fund Expenditures



The City's aging municipal building inventory will require more maintenance costs, as seen in the steadily rising facility charges.



**City of Franklin, WI
General Fund Operating Expenditures
Six Years Ended December 31, 2024**

	2019	2020	2021	2022	2023	2023	2024	Adopted '24 Adopted '23 Inc (Dec)	Pct of 2023 Adopt
Salaries	14,855,011	15,563,964	15,833,703	16,240,757	Adopted 17,548,105	Projected 17,826,865	Adopted 18,139,671	591,566	3.4%
Health & Dental	2,307,095	2,321,994	2,057,610	2,199,241	2,248,458	2,248,545	2,690,990	442,532	19.7%
Retirement	1,482,816	1,813,027	1,631,221	1,645,404	1,919,912	1,920,235	1,933,609	13,697	0.7%
Soc Sec Taxes	1,084,338	1,137,569	1,164,204	1,193,481	1,330,538	1,330,370	1,372,529	41,991	3.2%
Retiree Group Health	363,281	705,524	316,762	172,545	159,816	159,765	404,529	244,713	153.1%
Workman's Comp Ins	389,671	240,944	453,339	391,753	340,239	313,175	279,199	(61,040)	-17.9%
Other Benefits	59,157	216,608	69,827	67,587	91,940	120,085	84,082	(7,858)	-8.5%
Charged to Other funds	(497,340)	(1,191,458)	(604,298)	(650,709)	(766,220)	(766,220)	(761,935)	4,285	-0.6%
Total Benefits	5,189,018	5,244,208	5,088,665	5,019,302	5,324,683	5,325,955	6,003,003	678,320	12.7%
Total Salaries & Benefits	20,044,029	20,808,172	20,922,368	21,260,059	22,872,788	23,152,820	24,142,674	1,269,886	3.6%
Pct of Total	77.8%	79.4%	77.6%	78.3%	72.8%	77.8%	72.5%	67.2%	
Contract Services	2,637,356	2,532,853	2,391,400	2,331,718	2,497,850	2,797,055	2,859,096	361,246	19.9%
Supplies	1,343,997	1,103,237	1,467,317	1,658,820	1,642,335	1,659,775	1,862,885	220,550	4.0%
Services & Charges	543,339	542,848	539,730	599,372	618,162	640,840	671,775	53,613	6.9%
Facility Costs	1,131,743	1,175,481	1,246,575	1,263,324	1,359,340	1,423,655	1,351,485	(7,855)	5.4%
Other	27,429	4,197	14,069	24,677	91,600	63,700	36,400	(55,200)	8.3%
Contingency	-	-	-	-	2,325,000	-	2,325,000	-	-28.9%
Transfers Out	52,100	48,379	374,000	24,000	24,000	24,000	71,000	47,000	91.2%
Total Other Costs	5,735,964	5,406,995	6,033,091	5,901,911	8,558,287	6,609,025	9,177,641	619,354	5.2%
Total Expenditures	25,779,993	26,215,167	26,955,459	27,161,970	31,431,075	29,761,845	33,320,315	1,889,240	4.0%

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